(b) The figures of Corporation Tax and Income-tax collected from Vidarbha Region of Maharashtra during the last three financial years are given below:—

Fin. years	Corporation Tax	Income-tax
	(Rs. in crore)	
1995-96	41.00	196.00
1996-97	216.00	209.00
1997-98*	261.00	346.00

(*Inclusive of VDIS)

(c) The collections made under Corporation Tax and Income-tax in Mumbai Region during the last three financial years are as under:—

Fin. years	Corporation Tax	Income-tax
	(Rs. in crore)	
1995-96	7440.99	3760.40
1996-97	7927.48	4387.46
1997-98	7786.95	3942.00

(d) The steps taken to reduce/collect the outstanding demand are given below:—

Income-Tax Act prescribes a statutory procedure for collection and recovery of taxes. The recovery of the outstanding tax is a continuous process. The process starts after the demand falls due after 30 days of the service of the Demand Notice. Thereafter, action is taken by Assessing Officer in respect of unstayed demand by attaching bank accounts, charging interest, levying penalty etc. In difficult cases, matter is referred to Tax Recovery Officer who takes various coercive measures as per the Act like attachment and sale of defaulter's movable and immovable properties, arrest of defaulter and his detention in prison, appointment of Receiver for the management of the defaulter's movable and immovable properties. The recovery action taken by the Assessing officers and TROs is closely monitored by the higher Income-tax authorities.

Further dossier cases having outstanding demand of Rs. 10 lakhs and above are monitored by higher authorities on a regular periodic basis and necessary instructions are issued for taking various coercive measures for effecting the recovery of demand.

Notification Empowering CLB to deal with Defaulting NBFCs

1426. SHRI DEBABRATA BISWAS: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India had empowered the Company Law Board to order the defaulting Non-Banking Financial Companies to refund the payment of principal and interest to the investors;

(b) if so, the details thereof;

(c) what are the details of the notification issued by RBI;

(d) whether these provisions will also be applicable to Residuary Non-Banking Companies;

(e) whether the CLB has already initiated action for scrutinising the cases of the default; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) to (d) Reserve Bank of India (RBI) have reported that in case a Non-Banking Financial Company (NBFC) does not refund the deposit amount after the due date, the depositor is required to file an application to the concerned bench of the Company Law Board (CLB) in terms of CLB Regulation 1991 and under Sec. 45QA of RBI Act. The Board can order the Company to make repayment of such deposits

forthwith or within such time and subject to such conditions as may be specified in the order. Reserve Bank has also issued instructions to its Regional Offices to forward complaints from the depositors to the concerned Regional Bench of the CLB. Further, Nodal Officers have been appointed in Reserve Bank who would be responsible to initiate proceedings against NBFCs who fail to comply with orders made by CLB under Section 45QA. The provisions of Section 45QA are also applicable to deposits accepted by Residual Non-Banking Companies (RNBCs).

(e) and (f) The Company Law Board has already initiated action against those NBFCs in respect of whom complaints have been received by them.

Proposal for Single Divisible Pool for Central Taxes

1427. SHRIMATI URMILABEN CHIMNBHAI PATEL:
SHRI ANANTRAY DEVSHANKER DAVE:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in pursuance of the recommendations made by the Tenth Finance Commission, Government is proposing to bring a Constitution Amendment Bill for creating a single divisible pool for Central taxes in which the States will have 29% share;

(b) if so, the details thereof;

(c) whether Govertnment have sought the opinions of the State Governments in this regard;

(d) if so, the details of their reaction thereon; and

(e) the decision taken by Government on the recommendations?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) Yes Sir.

(b) to (e) On the basis of a consensus reached in the Third Meeting of the Inter-State Council held on July 17, 1997, the Government has accepted with a slight modification the recommendations of the Tenth Finance Commission to create a single divisible pool for almost all Central Taxes with 29% share devolving on the States.

The required Constitution Amendment Bill is likely to be introduced in the current Budget Session.

Anticipated International Opposition to Nuclear Tests

1428. SHRIMATI URMILABEN CHIMANBHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) as regards the nuclear tests on 11th and 13th May, 1998 whether Government anticipated international opposition to the Nuclear tests;

(b) whether Government did take into account the total impact of the international sanctions as result of the tests;

(c) Government's strategy to meet the challenges arising out of these sanctions;

(d) Government's strategy to continue programmes likely to be affected by the international sanctions; and

(e) Government's strategy on self reliance to counter international sanctions?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) The international reactions have, by and large, been along expected lines. Government have noted these reactions and have taken all steps necessary to explain abroad the rationale underlying the decision to authorise these tests which were aimed at reassuring the Indian people that Government would attach the highest priority to addressing India's security concerns.

(b) It is pherhaps a bit early to assess the total impact of the sanctions. However, sanctions with regard to foreign aid are expected, in most cases, to apply to new commitments, there would be only a marginal effect on the aid flows in the current year, if any.